USDA Ag Outlook Forum

The Next Generation of Farmers

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Today's Pork Industry

- Increased demand domestic and export
 - Home
 - Abroad
 - Key Drivers
 - Rapid employment of production technology
 - Productivity Growth
 - Scale
 - People
- Increasing pressures from outside interests
 - Cost Structure
 - Environmental
 - Animal Welfare
 - Community Resistance
- Disproportionate investment into packing
 - Great, Short Term
 - Long Term, Increase Exports



Today's Pork Industry

- Production consolidation
 - Acquisitions
 - Human talent
 - Changing dynamics of value chain
- Shortening of value chain (producer getting closer to consumer)
 - Aligning
 - Unique relationships
 - Capture / Add Value
- Alignment of value chain
 - Producers are the critical link
 - Maximum consumer value
 - Toll to participate in changing "chain"



Core Values

WHEREAS,

- 1. Our most important assets are our employees and production partners. We respect each individual, and are committed to training, communicating, and empowering them for success.
- 2. We believe in the family farm and are committed to hard work, ensuring the well-being of our animals, and stewardship of environmental resources.
- 3. We are dedicated to innovation and continued progress. We will invest in production technology, use sound information for decisions, and boldly face the challenges we encounter.
- 4. We value our relationship with our customers and are committed to providing a product that exceeds their expectations.



THEREFORE,

We will be the industry's most efficient operator as a result of the success of our people, their commitment to the family farm and our ability to innovate and champion change.



Senior Leadership Team

Ken Maschhoff, Chief Executive Officer Dave Maschhoff,
Chief Operating Officer

Production Mgt Team

Jason Logsdon
Chief
Financial Officer

Julie Maschhoff
Director of
Public
Relations

Bradley Wolter, PhD
Director of Production
Technology

Steve Quick
Director of
Production
Operations

Jim Lowe, DVM
Director of Health
and Production
Services

Accounting
Finance
Risk Management
Info Systems
Transportation

Public Relations
Human Resources

W/F Production
Genetic Services
Nutritional Services
Environmental Services
Technical Services

W/F Production
Pig Placement
Pig Facilities

Sow Production Health Services

Today's TMI: Keys to Success

- Family Ownership and Values
- 250 Family Production Partners –IL,IA, IN
- 400 employees—commitment to excellence
- Leveraging R & D and production protocals
- Unique partnerships with key suppliers
- Critical, strategic link in the customer value chain



Operations Overview

- Sow Production
 - 115,600 sows in breed-to-wean units
- Annual Market Hog Production
 - 1,850,000 pigs
 - 560,000 wean-to-finish spaces
 - 345,000 conventional finishing spaces
- Annual Feeder Hog Production
 - 400,000 pigs
 - **150,000 nursery spaces**



Maschhoff Business Philosophy

- 1. Invest in human resources
- 2. Maintain strong work ethic and pride in ownership
- 3. Make information based decisions
- 4. Embrace and develop new technology
- **5.** Emphasize communication, among:
 - Employees/ Partners
 - Suppliers and Customers
 - Consuming Public



Exceed Customer Expectations

- Farm to Fork Focus
- Product Specifications
- Value Added Processes
- Pork Quality Assurance
- Swine Welfare Assurance



Technical Based Decisions –A Systems Approach

- Application of genetic technology
- Facility design and management
- Nutrition management
- Growth performance optimization
- Health protocol
- Odor and manure management
- Pork quality



Systems Approach to Pork Production



Quality Feed Inputs



Environmental Stewardship



Family Values



Quality Animals





Modern Facilities



Information based Management



Technology Development



Controlled Delivery